GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:271
ANSWERED ON:18.03.2008
EXPORT OF TEA
Chaudhary Shri Pankaj

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total quantity of tea exported alongwith its value during each of the last three years and in the current year till date, country-wise particularly Pakistan;

(b) whether the export of tea to Pakistan has declined during the said period;

(c) if so, the reasons therefor;

(d) the steps taken by the Government to boost tea export to various countries including Pakistan; and

(e) the outcome thereof?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.271 FOR ANSWER ON 18TH MARCH, 2008 REGARDING "EXPORT OF TEA"

a): The total quantity of tea exported along with the value of export to all major countries including Pakistan during the last 3 years and the current year 2007-08 are at Annexures-I and II.

b): The volume of export of tea from India to Pakistan had shown a significant improvement during 2006-07. From 4.68 M.kgs during 2004-05 valued at Rs.22.61 crore, the export to Pakistan during 2006-07 was 14.06 M.Kgs valued at Rs. 90.67 crore − a growth of 200% in volume and 301% in value during 2006-07 over 2004-05. However, the exports during 2007-08 (April to December) to Pakistan have registered a decline of 72.8% in volume and 78.7% in value terms over the same period of previous year.

c): Kenya being traditionally a major supplier of tea to Pakistan experienced a drought situation during 2006 and consequently decline in tea production. This helped Indian exporters to grab a greater share of the market that witnessed substantial increase in exports to Pakistan during 2006-07. However, during the year 2007, tea supply from Kenya picked up and coupled with this, there was a decline in the Kenyan tea prices at the Mombassa auction. This helped Kenyan teas to regain the tea market in Pakistan. The appreciation of Indian Rupee against Dollar also hit the Indian exporters hard that resulted in a decline in exports during 2007-08.

d) & e) The Tea Board/Govt. is taking various measures to boost the export of Indian tea in the world market. The steps being taken include conducting promotional activities in the foreign markets, lending promotional support to Indian tea exporters in their marketing efforts, enhancing the quality and image of Indian tea abroad etc. Such activities are carried out by Tea Board by participating in various international fairs/exhibitions and mounting trade delegations. The efforts of Tea Board are supplemented by its overseas offices located at London, Moscow and Dubai.

Realizing the potential of Indian tea in the Pakistan market, Government/Tea Board is striving hard to boost the tea exports to Pakistan. A high level delegation led by Chairman, Tea Board visited Pakistan during 21st April to 27th April, 2007. With a view to give impetus to trade, including tea, efforts are on to open rail route between the two countries and to take further measures towards reduction of import tariffs in Pakistan. Pakistan had reduced import duty on tea from 20% to 10% in June, 2004.

Annexure-I

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF LOK SABHA STARRED QUESTION NO.271 FOR ANSWER ON 18TH MARCH, 2008 REGARDING "EXPORT OF TEA"

MAJOR COUNTRY WISE EXPORTS OF TEA FROM INDIA

Name of the Countries	2006-2007		2005-2006		2004-2005	
	Qty (M.Kgs)	Value (Rs.Crs)	Qty (M.Kgs)	Value (Rs.Crs)	Qty (M.Kgs)	Value (Rs.Crs)
Russian Federation	39.36	322.21	36.47	268.22	36.87	272.45
Kazakhstan	9.69	104.67	10.83	114.28	13.62	143.31
United Kingdom	22.86	214.09	21.59	186.17	19.88	184.91
Netherlands	3.13	48.00	2.78	36.30	2.98	39.56
Germany	4.51	89.02	4.97	100.84	5.06	112.65
Ireland	2.37	46.73	2.08	28.47	3.10	46.37
Poland	3.94	35.00	4.00	31.30	4.71	34.64
U.S.A.	8.76	138.99	9.30	136.30	7.93	115.98
U.A.E.	22.77	231.22	26.78	265.87	24.28	271.42
Iran	9.91	105.79	6.49	65.02	6.78	81.26
Iraq	34.92	180.76	30.53	158.06	38.38	204.45
Saudi Arabia	1.12	11.04	1.27	12.49	0.82	8.79
A.R.E.	3.40	25.32	0.74	5.05	0.05	0.28
Afghanistan	9.44	51.76	3.52	16.53	1.82	10.34
Singapore	0.47	7.22	0.49	6.92	0.73	7.58
Sri Lanka	3.08	29.14	2.69	25.03	3.24	27.06
Kenya	8.37	46.45	2.65	11.77	7.17	34.54
Japan	2.60	61.83	2.95	69.38	3.29	82.36
Pakistan1	4.06	90.67	10.71	43.87	4.68	22.61
Australia	4.49	89.05	4.76	81.95	4.90	83.31
Other Countries	6.20	89.53	7.67	96.23	11.56	110.79

Annexure-II

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF LOK SABHA STARRED QUESTION NO.271 FOR ANSWER ON 18TH MARCH, 2008 REGARDING "EXPORT OF TEA"

Major Country-wise Exports of tea from India during 2007-08 (April-Dec)

Name of the Countries	Qty (M.Kgs.)	Value (Rs.Crs.)
Russian Federation	23.55	185.55
Kazakhstan	5.71	56.71
Ukraine	0.77	5.47
Uzbekistan	0.03	0.33
Other CIS	0.19	3.24
Total CIS	30.25	251.30
United Kingdom	11.84	110.84
Netherlands	1.88	29.71
Germany	4.40	77.03
Ireland	1.96	32.31
Poland	2.76	23.90
U.S.A.	5.58	88.66
Canada	0.62	7.73
U.A.E.	16.86	162.86
Iran	8.27	90.70
Iraq		
Saudi Arabia	0.99	8.46
A.R.E.	3.80	24.51
Turkey	0.03	0.45
Afghanistan	4.97	25.67
Singapore	0.18	3.34
Sri Lanka	2.06	17.69
Kenya	2.17	10.39
Japan	1.45	30.73
Pakistan	3.33	17.22
Australia	3.83	70.75
Other Countries	5.11	27.29

TOTAL	112.34	1111.54